

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

)	
In re:)	Chapter 11
)	
BOUCHARD TRANSPORTATION CO., INC., <i>et al.</i> , ¹)	Case No. 20-34682 (DRJ)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket Nos. 748, 753

**DEBTORS' LIMITED OBJECTION AND
RESERVATION OF RIGHTS WITH RESPECT TO MOTIONS
FILED BY INTERNATIONAL SHIP REPAIR & MARINE SERVICES, INC.**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) file this limited objection (this “Limited Objection”) to *International Ship Repair & Marine Services, Inc.*’s *Motion for Relief from Automatic Stay* [Docket No. 748] (the “Lift Stay Motion”) and to *International Ship Repair & Marine Services, Inc.*’s *Amended Motion for Relief from Automatic Stay* [Docket No. 753] (the “Amended Lift Stay Motion,” and together with the Lift Stay Motion, the “Motions”) filed by International Ship Repair & Marine Services, Inc. (“ISR”). In support of this Limited Objection, the Debtors respectfully state as follows:

Preliminary Statement and Background

1. On September 28 and 29, 2020 (as applicable to each Debtor, the “Petition Date”), the Debtors commenced chapter 11 cases by filing voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas. The chapter 11 cases are jointly administered pursuant

¹ Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.stretto.com/bouchard>. The location of the Debtors’ service address is: 58 South Service Road, Suite 150, Melville, New York 11747.

to rule 1015(a) of the Federal Rules of Bankruptcy Procedure. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. On April 2, 2021, ISR filed the Lift Stay Motion, seeking relief from the automatic stay imposed by section 362 of the Bankruptcy Code to permit enforcement and foreclosure of its maritime liens, or, in the alternative, an order granting adequate protection. On April 5, 2021, ISR filed the Amended Lift Stay Motion, seeking the same relief as the Lift Stay Motion.

3. The Debtors and ISR undertook extensive, good-faith negotiations to resolve the Motions. In the meantime, the vessels that are the subject of the Motions, the barges B No. 265 and B No. 285 (the “Vessels”), continued to incur substantial daily berthing costs. Additionally, after careful consideration, the Debtors determined that the Vessels would not be part of the Debtors’ go-forward business plan. As a result, the Debtors determined that a sale of the Vessels by the Debtors was in the best interests of the estate.

4. After canvassing the market for potential buyers of the Vessels, on April 15, 2021, the Debtors entered into an agreement to sell the Vessels to Etosha, LLC for \$1,500,000 (the “Sale”), pursuant to the procedures set forth in the *Order Approving Procedures for De Minimis Asset Transactions* [Docket No. 771] (the “De Minimis Transactions Order”). On April 19, 2021, the Debtors provided notice of the Sale to the Transaction Notice Parties (as defined in the De Minimis Transactions Order) in accordance with the De Minimis Transactions Order. On April 26, 2021, the objection period with respect to the Sale expired without any objections having been raised by any party. The Debtors anticipate that the Sale will be consummated in the coming days, prior to the hearing on the Motion. As a result, the Vessels will no longer be property of the Debtors’ estates, and ISR’s valid liens, if any, will attach to the

proceeds of the Sale. *See* De Minimis Transactions Order ¶ 4. The Debtors have been in touch with ISR regarding the Sale, and the Debtors understand that ISR does not object to the Sale. The Debtors will continue discussions with ISR to resolve the Motions after the Sale has closed.

Limited Objection and Reservation of Rights

5. As a consequence of the Sale, the relief that ISR seeks in the Motions—permission to sell the Vessels at an admiralty sale, or adequate protection in an amount sufficient to compensate ISR for any decline in the value of ISR’s asserted interest in the Vessels—is moot.

6. The Debtors expressly reserve all rights with respect to the Motions, including the right to supplement or add to the legal and factual arguments raised in this Limited Objection and to further object to the Motions, on any bases whatsoever, at a future date. For the avoidance of doubt, nothing herein, including any omission, shall be interpreted or construed as waiver or limitation on any such rights or an admission that any claim described herein is valid, and the Debtors reserve all rights with respect thereto.

Houston, Texas
April 29, 2021

/s/ Matthew D. Cavanaugh

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Certificate of Service

I certify that on April 29, 2021 I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Matthew D. Cavanaugh

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